

**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 - AMENDED**  
**March 15, 2017, 10:30 AM**

**Highlights from the meeting:**

- Introduction of new Commissioners by Kathie Connelly
- Introduction of REC staff
- Kathie Connelly announced her retirement at end of year

**PRESENT:**

Commissioner J. Nicholas D'Ambrosia, Chair (Industry)  
Commissioner James Reeder (Consumer)  
Commissioner Anne Cook (Industry)  
Commissioner Jeff Wright (Industry)  
Commissioner Owen Taylor (Consumer)  
Brian Weeks, AAG  
Kathrine F. Connelly, Executive Director  
Commissioner Owen Taylor (Consumer)

**ABSENT:**

Commissioner Marla Johnson (Industry)  
Commissioner Karen Baker (Consumer)  
Charlene Faison, Education Administrator, Session Recorder

**PUBLIC IN ATTENDANCE:**

Mark Feinroth, MAR  
Bob Johnston, AACAR

**CALL TO ORDER:**

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:32 a.m.

**APPROVAL OF MINUTES:**

**Motion** (made by Anne Cook, seconded by Jeff Wright) **To approve the minutes of February 15, 2017 business meeting. Unanimous approval.**

**Motion amended**(made by Jeff Wright, seconded by Anne Cook) **to include into the minutes the absence of Katherine Connelly from February 15, 2017 Business Meeting, and clean up the language about team leader payments. Motion carried.**

**REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:**

**Motion** (made by James Reader, seconded Jeff Wright) **to approve the Administrative Dismissals for the month of March 2017. Motion carried.**

## **COMMITTEE REPORTS:**

### 1. Education – Jeff Wright, Chair

- For the month of February 2017 PSI administered 953 salesperson and 54 broker exams, compared to 799 salesperson and 50 broker exams in February 2016.

### 2. Legislative – Brian Weeks, AAG

- AAG, provided list of other bills of interest. They included:
  - HB 41 – Passed House/Senate Hearing 3/21
  - HB 628 - Passed house w/ Amendments/Senate voted favorable w/Amendments
  - HB 760 - Passed out of Committee
  - HB 1192 – Hearing 3/1/17
  - HB 1193 – Unfavorable report
  - HB 1471 – Received unfavorable report
  - SB 40 – Voted out of Senate / House hearing 3/22/17
  - SB 520 – Voted unfavorable in Committee
  - SB 530 – Hearing mid-February / No further action
- Promulgated proposal regulations prepared  
Public comments ended March 6, 2017 / No comments received

**Motion to approve proposed regulation changes and to become effective June 1, 2017** (made by Jeff Wright, seconded by Anne Cook)

## **COMMENTS FROM EXECUTIVE DIRECTOR:** Katherine Connelly

1. Kathie introduce the three new Commission members. Kamron Williams (consumer), Owen Taylor (consumer) and Demetria Scott (Industry-Baltimore City). Mr. Taylor had been sworn in prior to the meeting so was able to participate in the meeting as a Board member.
2. Kathie also introduced the staff of the Maryland Real Estate Commission to the current and new board members.
3. Kathie announced that she would be retiring at the end of 2017.
4. Current license count totals 42,628, of which 4,336 are brokers, 3,054 are associate brokers, 34,210 salespersons. Of the total count, 1,737 are inactive.
5. Guaranty fund balance for January 2017 is \$918,811.84 and \$4633.00 was paid out in claims.
6. Reviewed language from an email received from agents. Kathie questioned the language “bring their market share”, which she assumed meant listings. The listing do not belong to the agent and she wondered if it would be considered solicitation of another broker’s listing. In addition is this interference by enticement of giving incentive to a licensee to leave a company and ask their client to move their listing to the new brokerage that the agent affiliates with. It was determined that a Code of Ethics violation existed and she would address it with the company involved as well as monitor to see if that type of solicitation continued.
7. Regulations have passed their comment period. No Comments were received.
8. Next month’s meeting will be on Wednesday, April 19, 2017.

**COMMENTS FROM COUNSEL:** Brian Weeks

Brian had no additional comments other than those given under the Legislative agenda item.

**COMMENTS FROM CHAIR:** J. Nicholas D’Ambrosia

- Teams: Payment to teams; Maryland allows multiple business formations. As we heard from counsel, it’s not allowed for an individual to pay/distribute funds paid to them by a Broker to another member of their team.

He did an independent survey to see if individual team leaders are paying others, and questioned if we put out a statement to remind people they cannot pay funds as an individual. Kathie Connelly state it was decided and said it was allowed for a Broker to write a letter to a title company to pay a specific amount of money to different entities or individuals, this was fine because in this scenario the Real Estate Company remains responsible for the 1099, not the title company.

Mark Feinroth, MAR, stated that partnering with MREC to work together to look at, and decide if changes were needed to the Team legislation.

Nick and other Commissioners agree a meeting with MAR was a good idea. Jeff Wright and Anne Cook agree to be on meeting committee.

- Noted that West Virginia cancelled all reciprocal agreements effective April 1, 2017
- Mark Feinroth, MAR, mentioned that he was approached and asked if Maryland would reconsider a reciprocal agreement with Delaware again.

**UNFINISHED BUSINESS:**

- None

**NEW BUSINESS:**

- None

**ADJOURNMENT:**

There being no further business, the meeting adjourned at 11:52 A.M. The next monthly business meeting is Wednesday, April 15, 2017.

APPROVED AS PRESENTED \_\_\_\_\_  
J. Nicholas D’Ambrosia, Chairperson

APPROVED AS AMENDED \_\_\_\_\_  
J. Nicholas D’Ambrosia, Chairperson