
Maryland Real Estate Commission
Business Meeting
Meeting Minutes

DATE: December 21, 2022

TIME: 10:30 A.M.

LOCATION: 1100 N. Eutaw St.
5th Floor Conference Room
Baltimore, MD 21201
(Teleconference via Google Meet)

MEMBERS PRESENT:
Anne Cooke, *Commissioner*
Demetria Scott, *Commissioner*
Kambon Williams, *Commissioner*
Donna Horgan, *Commissioner*
Michael Lord, *Commissioner*
Jacinta Bottoms-Spencer, *Commissioner*
Nea Maloo, *Commissioner*
Sandy Olson, *Commissioner*

MEMBERS ABSENT: None

STAFF PRESENT: Gregory Morgan, *DoL Commissioner*
Jessica Praley, *AAG*
Michael Kasnic, *Executive Director*
Brenda Iman, *Paralegal*
Tinika Frasier, *Education Assistant*
Danielle Anderson, *Web Content and Outreach
Coordinator*

PUBLIC PRESENT: Christina McGee, *Maryland Realtors*
Brenda Kasuva, *MREEA*
Bob Pettis, *Long and Foster*
Christina Flavin, *Coldwell Banker Realty*
Ana Ferguson, *Douglas Realty LLC*

David Politzer, Broker
Kathie Connelly, Broker
Ana Ferguson
Monica Stewart

Roll Call/Quorum Announced and Meeting Called to Order

Anne Cooke, Chair, called the meeting to order at 10:35 A.M.

Approval of Report of Complaints/Administrative Dismissals

Motion (made by Donna Horgan, seconded by Michael Lord) **To approve the Administrative Dismissals for the month of December. Motion carried.**

Approval of Minutes

Motion (made by Donna Horgan, seconded by Michael Lord) **To approve the minutes, of the November 16, 2022 business meeting. Motion carried.**

Committee Reports

Education – Demetria Scott, Chair

- For the month of November 2022, PSI administered 826 salesperson and 99 broker exams, and we have 263 new eligible licensees.
- Committee had two meetings. MR discussed changes to initial licensee mandatory continuing education to include contracts, specifically writing and getting and enforceable contract together. MREEA supported some sort of action for those that would not complete the classes within the first year. Some jurisdictions such as Virginia you have a limited amount of time to take the classes or they suspend your license. MREEA advocated a similar policy to avoid the possibility of someone practicing real estate and only getting the education to back that up at the end of two full years.
- Many of the Brokers who the Commission has spoken with actually support more hours than the current 15. The Committee also had an MREC investigator present and they shared that many of the licensees who she has investigated deal with the lack of proper disclosure. There also appears to be support for classes on property management.

Legislative – Donna Horgan, Chair

- Committee is very busy. The committee has learned a great deal about radon through the presentation of Mr. Bob Pettis. The committee will consider future actions related to testi for radon when selling a home, as well as mandatory classes.
- There has been discussion related to having background checks for licensee candidates and licensees
- Updates are required on the Maryland Real Property Disclosure/Disclaimer Form specifically question 19, that would give greater specificity regarding septic systems, what type of system is it, etc....., a task force review of the entire form may be optimal.

Comments from Executive Director

- Mission Statement and expectations of interactions with the Commission: Professional, Courteous and Reasonable was covered
- Current license count totals 49,688 of which 4,201 are brokers, 3,093 are associate brokers and 41,439 are salespersons, 159 are reciprocal brokers, 71 are reciprocal associate brokers, and 725 are reciprocal salesperson. There are 725 branch offices.
- Guaranty fund balance is \$1,256,851, which continues to be healthy and positioned well to support its purpose of protecting consumers who are proved to have been harmed by licensees.
- Projected total of complaints for the fiscal year looks to be about 717 which is less than last year's total, so complaints are trending downward, but are still 78% higher than 10 years ago.
- The Commission was contacted and provided information related to the proposed legislation that it voted to submit – specifically: closing the inactive licensee loophole (currently inactives can return to active almost six years after going inactive) and buyer communications – “Love Letters”.
- Updates have been made to the current licensing system to streamline processes and reduce mailing and increase electronic payment.
- The website is also undergoing changes to make it more user friendly in having the highest volume actions clearly depicted on the main screen
- Commission Morgan offered update on the relocation, the new building was identified and the general timeline was presented.

Comments from Counsel

- The Legislative Committee has a meeting next week
- Bills proposed by the Commission are making normal progress.
- The concerns related to contracts for a 40 year listing agreement were brought to the Attorney General's Office Consumer Protection Division. Three states – Florida, Pennsylvania and Massachusetts have filed against the practice. Counsel will keep the Commission posted.

Comments from Chair

- Commission in need of a Consumer Member

Old Business

- None

New Business

- Commissioner Williams discussed the Wholesaling Task Force. A Maryland wholesaler who is also an attorney presented to the task force. There are issues that remain – transfer of equitable interest, licensed activity, the law that makes net proceeds sales illegal. There are only two jurisdictions that have implemented laws or regulations related to wholesaling – Oklahoma and Philadelphia. Any changes will require legislation, and ultimately, wholesaling may be treated in a similar fashion as property management is currently. Very good meeting that provided information to the task force that will assist in determining the way ahead.

Public Comment

- Christina McGee, Maryland Realtors (MR), provided introduction and relayed that
 - MR is considering a contracts class, but does not support any additional continuing education hours.
 - Background checks for original and renewal applications possibly have support.
 - Inquired about the numbers of brokers, associate brokers and salespersons that have designated that they will only perform commercial transactions in Maryland.
- Brenda Kasuva, Maryland Real Estate Educators Association (MREEA)
 - Inquired about when the Open House Disclosure Form would be updated to reflect the new governor.
- Task Force with Commissioners Horgan, Scott, and Lord, to review fingerprinting and background checks related to real estate licensing. Commissioner Olson mentioned that the other states – Virginia and West Virginia – where she holds licenses require them.

Adjournment

There being no further business, the meeting adjourned at 11:58 A.M. The next monthly business meeting is Wednesday, January 18, 2023.

APPROVED AS PRESENTED _____
Anne Cooke, Chairperson

APPROVED AS AMENDED _____
Anne Cooke, Chairperson