

**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**  
**February 15, 2017, 10:30 AM**

**Highlights from the meeting:**

- Current license count is 42,490
- Final exam writing meeting was held
- Guaranty fund balance for December - \$922,724.84
- Several bills of interest to real estate are currently in the House and Senate

**PRESENT:**

Commissioner J. Nicholas D'Ambrosia, Chair (Industry)  
Commissioner Marla Johnson (Industry)  
Commissioner James Reeder (Consumer)  
Commissioner Karen Baker (Consumer)  
Brian Weeks, AAG  
Charlene Faison, Education Administrator, Session Recorder  
Jillian Lord, Assistant Executive Director

**ABSENT:**

Commissioner Jeff Wright (Industry)  
Commissioner Anne Cooke (Industry)

**PUBLIC IN ATTENDANCE:**

Mark Feinroth, MAR  
Bob Johnston, AACAR

**CALL TO ORDER:**

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:37 a.m.

**APPROVAL OF MINUTES:**

**Motion** (made by Marla Johnson, seconded by Karen Baker) **To approve the minutes of the January 18, 2017 business meeting. Unanimous approval.**

**REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:**

**Motion** (made by Karen Baker, seconded Marla Johnson) **To approve the Administrative Dismissals for the month of February 2017. Motion carried.**

**Motion amended** (made by Karen Baker, seconded Marla Johnson) **To remove case 2017-RE-364 from the Administrative Dismissals list for the month of February 2017. Motion carried.**

## **COMMITTEE REPORTS:**

### 1. Education – J. Nicholas D’Ambrosia

- For the month of January 2017 PSI administered 813 salesperson and 42 broker exams, compared to 586 salesperson and 49 broker exams in January 2016.

### 2. Legislative – Marla Johnson, Legislative Chair

- Senate hearing on SB 520 State Real Estate Commission - Property Managers – Registration being held today.
- Brian Weeks, AAG, provided list of other bills of interest. They include:
  - HB 41 Real Property - Common Ownership Communities - Statewide Registration – Status: voted favorable with amendments
  - HB 628 Secretaries of Principal Departments - Supervision and Review of Decisions and Actions by Units Within Departments
  - HB 760 State Real Estate Commission - Real Estate Brokerage Services - Duties and Obligations; a copy of which is in the Commissioner’s packets; The concern of MREC is that this bill appears to go against the new agency law passed and which went into effect October 1, 2016
  - HB 1192 Real Property - Regulation of Common Ownership Community Managers; Sponsored by Delegate Davis; hearing will be March 1, 2017
  - HB 1193 Real Property - Regulation of Common Ownership Community Managers; Sponsored by Delegate Holmes
  - HB 1471 Business Occupations and Professions and Health Occupations - Regulation of Occupational Boards; hearing scheduled for March 7, 2017
  - SB 40 Title Insurance Producers - Licensing of Business Entities and On-Site Reviews; voted out of Senate; 1<sup>st</sup> reading in the House; Hearing scheduled for March 22, 2017
  - SB 520 State Real Estate Commission - Property Managers – Registration; Sponsored by Senator Young; Hearing scheduled for today
  - SB 530 Real Property - Regulation of Common Ownership Community Managers; hearing scheduled for February 16, 2017

## **COMMENTS FROM ASSISTANT EXECUTIVE DIRECTOR: Jillian Lord**

1. Current license count totals 42,490, of which 4,347 are brokers, 3,060 are associate brokers, 34,046 salespersons. Of the total count, 1,744 are inactive.
2. Guaranty fund balance for December 2016 is \$922,724.84 and \$10,725.00 was paid out in claims.
3. Kathie Connelly is attending the Keller Williams annual conference in Las Vegas. She is a panel member on Regulatory Compliance and Branding panel.
4. The education meeting with the approved providers was a tremendous success. We heard back from schools that were very appreciative for the opportunity to get to know the Commissioners, Charlene, Kathie and staff. They were thankful for the opportunity to voice their concerns, ask questions and interact with each other.
5. We held our final exam writing meeting on January 24<sup>th</sup> and will be getting the finished product to the Commissioners to review in the coming weeks.
6. Next month’s meeting will be on Wednesday, March 15, 2017.

**COMMENTS FROM COUNSEL:** Brian Weeks

1. Addressed the question of whether a broker may pay a commission owed to a team member for real estate brokerage services provided by the team member directly to the team leader who then distributes the money to one or more team members. The Real Estate Brokers Act states that, for real estate brokerage services provided by an associate real estate broker or salesperson, the associate broker or salesperson cannot accept a commission from any person other than the real estate broker with whom they are affiliated. Therefore, a broker may not pay a commission owed to a team member for real estate brokerage services to the team leader for distribution to team members.

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

- Chair D'Ambrosia attended a legislative breakfast recently and heard remarks pertaining to many of the bills Brian Weeks mentioned during his comments.

**UNFINISHED BUSINESS:**

- None

**NEW BUSINESS:**

- None

**ADJOURNMENT:**

There being no further business, the meeting adjourned at 11:09 A.M. The next monthly business meeting is Wednesday, March 15, 2017.

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

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